

Lexus of Nashville
1636 Westgate Circle
Brentwood, TN 37027
Tel# 615.221.5000
Fax# 615.221.8200

REC'D TN
REGULATORY AUTH.

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OFFICE OF THE
EXECUTIVE SECRETARY

September 12, 2000

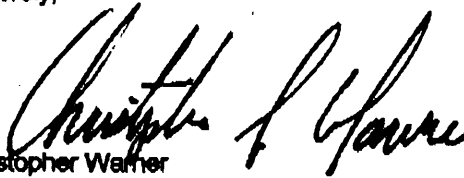
Attn: David Waddell
Tennessee Regulatory Authority
460 James Roberson Pkwy
Nashville, TN 37243

00-00814

Subject: Letter of concern regarding CSA between Lexus of Nashville and Bellsouth.

It is my understanding that the letter submitted to the Tennessee Regulatory Authority has in fact been received, reviewed, and attached to the CSA rulemaking docket. After further consideration I would also ask that our letter of concern be handled directly by the TRA as a complaint against Bellsouth in effect of adversely penalizing us for wanting to terminate our contract due to Bellsouth's inability to meet current telecommunications requests. In respect to a request to Bellsouth to deliver multiple facilities (Voice, Data, and Internet Bandwidth) over PRI facilities, their response was that they deliver the bandwidth via an additional Frame relay T-1 as described by Bellsouth Manager John Anthony in attachment 1 of this letter. This is not the direction we want to pursue when many LEC's are consolidating services over single facilities to lessen the burden of multiple configurations for the customer.

Sincerely,



Christopher Warner
E-commerce Director
Lexus of Nashville

cc:

Charlie Howorth
Vice President
Bellsouth
333 Commerce Street
Nashville, TN 37201-3300

ID# 128641

ATTACHMENT 1**Christopher Warner**

From: "Anthony, John" <john_anthony@bbs.bellsouth.com>
To: <troy@netcbl.net>
Cc: <CWarnar@nashvillelexus.com>
Sent: Monday, September 11, 2000 1:41 PM
Subject: 3 Com NBX 100
Troy,

I've been talking with Chris Warner regarding the ideal situation for their new network. Chris would like for BellSouth to deliver PRI and internet access over the same facility. BellSouth will not deliver more than 128k of internet access over a PRI. We deliver everything over 128k via frame relay. However, I have discounted the pricing for PRIs and internet access to the point that our solution makes sense from a cost perspective regardless of facilities involved. The outstanding question that we need to be answered is regarding the capability of this 3com box to interface with our network elements (2pri and 1 frame). If it will not, what additional equipment will be needed? Please let me know asap as we are trying to bring closure to this issue.

Thanks.
JA

9/12/00

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OFFICE OF THE
EXECUTIVE SECRETARY
September 5, 2000

00-00702

Attn: David Waddell
Tennessee Regulatory Authority
460 James Roberson Pkwy
Nashville, TN 37243

Subject: Concern with CSA between Lexus of Nashville and Bellsouth.

I am writing this letter to express concerns regarding the CSA between Lexus of Nashville and Bellsouth. After I came aboard with Lexus of Nashville as the E-commerce Director I began inquiries into the way we were doing business as a whole to include telecommunications, data transport, and website related issues. After looking at Lexus of Nashville's contract regarding PRI lines delivered to the dealership I was very disappointed to see that Bellsouth had locked us into a 49-month contract knowing that at that time in 1998 there was a wide selection of LEC's offering extremely competitive pricing. During the contract negotiation phase between Lexus of Nashville and Bellsouth we were told that the pricing for services was not a negotiable issue. I believe that Bellsouth knowingly and without disclosing the competitive alternatives available engaged Lexus of Nashville into a long-term arrangement so that in the future we would not be able to price shop their competition and if we did, termination penalties would be so stiff that we would have no choice but to stay with our current service.

Secondly I feel that Bellsouth has made it extremely difficult for us to change carriers when there is extremely competitive pricing going on in today's telecommunications market. By today's standards in pricing from competition we are currently paying over 2 times more than we should be. This mentality is extremely punitive in nature when you think about it. I believe if there were lighter penalties involved in changing services that carriers would work much harder to keep customers. We were told that to terminate and choose another carrier we would have to pay over \$23,000.00 dollars in penalties. In my mind this is not a fair compensation since during our 26 months of getting dial tone from Bellsouth we have become more and more disgruntled from the quality of service we have received. It has gotten to a point that numerous entities within Bellsouth have come to our place of business, and have told me personally they would do whatever it takes to keep us as a customer knowing that we were extremely dissatisfied with our situation.

I feel that in today's market with it's wide selection of telecommunications providers customers should not be locked into long-term CSA's, nor should they be penalized so harshly when the only thing that they want and expect is first rate service from their provider, something we have not experienced since the beginning of our contract. I also think it is extremely important to consider the level of education potential customers of Bellsouth's had back in 1998. Most customers were not educated or informed of the developing competitions arising during that time so they would not have considered a viable alternative to Bellsouth.

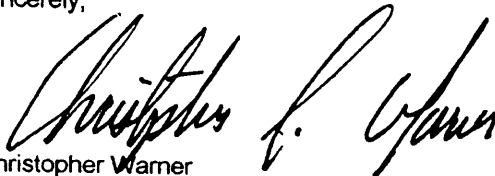
I would also like to express a certain amount of dissatisfaction towards the way that TRA has looked out for the well being of businesses during an explosive time of telecommunications growth. I feel TRA should look to shoulder some of the responsibility in

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having not ensured that Bellsouth and other LEC's were disclosing the punitive nature of long-term agreements when surely pricing would become extremely competitive. I would expect TRA would ensure some kind of retroactive judgment for businesses that are in the same dilemma as Lexus of Nashville.

In closing I would ask that a copy of this letter be attached to the CSA rulemaking docket and if need be I would personally come and give testimony regarding this injustice to the oversight committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher L. Warner". The signature is fluid and cursive, with the first name "Christopher" being the most prominent part.

Christopher Warner
E-commerce Director
Lexus of Nashville

cc:

Charlie Howorth
Vice President
Bellsouth
333 Commerce Street
Nashville, TN 37201-3300